

On page 121, line 3, strike "(c)" and insert "(b)".

On page 121, line 12, strike "(d)" and insert "(c)".

On page 122, line 1, strike "(e)" and insert "(d)".

On page 122, lines 5 and 6, strike "prior to the fiscal year".

On page 122, line 7, strike "(f)" and insert "(e)".

On page 122, line 12, strike "(g)" and insert "(f)".

On page 124, line 1, strike "(h)" and insert "(g)".

On page 129, line 1, strike "(1) TENETS AND TEACHINGS.—A religious or—" and insert "(1) SUBSTANCE ABUSE.—A religious or—".

On page 129, lines 5 through 7, strike "adhere to the religious tenets and teachings of such organization, and such organization may require that those employees".

On page 131, line 17, strike "or agency" and insert ", agency or official".

On page 145, strike line 17, and insert the following: "basis."

"(d) PARTICIPANTS.—The Secretary shall include among those interested groups that participate in the development of the plan consumers of mental health or substance abuse services, providers, representatives of political divisions of States, and representatives of racial and ethnic groups including Native Americans."

## THE FEDERAL ERRONEOUS RETIREMENT COVERAGE CORRECTIONS ACT

### COCHRAN (AND AKAKA) AMENDMENT NO. 2508

Mr. GRAMM (for Mr. COCHRAN (for himself, and Mr. AKAKA)) proposed an amendment to the bill (S. 1232) to provide for the correction of retirement coverage errors under chapters 83 and 84 of title 5, United States Code; as follows:

Strike all after the enacting clause and insert the following:

#### SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Federal Erroneous Retirement Coverage Corrections Act".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Definitions.
- Sec. 3. Applicability.
- Sec. 4. Irrevocability of elections.

#### TITLE I—DESCRIPTION OF RETIREMENT COVERAGE ERRORS TO WHICH THIS ACT APPLIES AND MEASURES FOR THEIR RECTIFICATION

Subtitle A—Employees and Annuitants Who Should Have Been FERS Covered, but Who Were Erroneously CSRS Covered or CSRS-Offset Covered Instead, and Survivors of Such Employees and Annuitants

Sec. 101. Employees.

Sec. 102. Annuitants and survivors.

Subtitle B—Employee Who Should Have Been FERS Covered, CSRS-Offset Covered, or CSRS Covered, but Who Was Erroneously Social Security-Only Covered Instead

Sec. 111. Applicability.

Sec. 112. Correction mandatory.

Subtitle C—Employee Who Should or Could Have Been Social Security-Only Covered but Who Was Erroneously CSRS-Offset Covered or CSRS Covered Instead

Sec. 121. Employee who should be Social Security-Only covered, but who is erroneously CSRS or CSRS-Offset covered instead.

Subtitle D—Employee Who Was Erroneously FERS Covered

Sec. 131. Employee who should be Social Security-Only covered, CSRS covered, or CSRS-Offset covered and is not FERS-eligible, but who is erroneously FERS covered instead.

Sec. 132. FERS-Eligible Employee Who Should Have Been CSRS Covered, CSRS-Offset Covered, or Social Security-Only Covered, but Who Was Erroneously FERS Covered Instead Without an Election.

Sec. 133. Retroactive effect.

Subtitle E—Employee Who Should Have Been CSRS-Offset Covered, but Who Was Erroneously CSRS Covered Instead

Sec. 141. Applicability.

Sec. 142. Correction mandatory.

Subtitle F—Employee Who Should Have Been CSRS Covered, but Who Was Erroneously CSRS-Offset Covered Instead

Sec. 151. Applicability.

Sec. 152. Correction mandatory.

#### TITLE II—GENERAL PROVISIONS

Sec. 201. Identification and notification requirements.

Sec. 202. Information to be furnished to and by authorities administering this Act.

Sec. 203. Service credit deposits.

Sec. 204. Provisions related to Social Security coverage of misclassified employees.

Sec. 205. Thrift Savings Plan treatment for certain individuals.

Sec. 206. Certain agency amounts to be paid into or remain in the CSRDF.

Sec. 207. CSRS coverage determinations to be approved by OPM.

Sec. 208. Discretionary actions by Director.

Sec. 209. Regulations.

#### TITLE III—OTHER PROVISIONS

Sec. 301. Provisions to authorize continued conformity of other Federal retirement systems.

Sec. 302. Authorization of payments.

Sec. 303. Individual right of action preserved for amounts not otherwise provided for under this Act.

#### TITLE IV—TAX PROVISIONS

Sec. 401. Tax provisions.

#### TITLE V—MISCELLANEOUS RETIREMENT PROVISIONS

Sec. 501. Federal Reserve Board portability of service credit.

Sec. 502. Certain transfers to be treated as a separation from service for purposes of the Thrift Savings Plan.

#### TITLE VI—EFFECTIVE DATE

Sec. 601. Effective date.

#### SEC. 2. DEFINITIONS.

For purposes of this Act:

(1) ANNUITANT.—The term "annuitant" has the meaning given such term under section 8331(9) or 8401(2) of title 5, United States Code.

(2) CSRS.—The term "CSRS" means the Civil Service Retirement System.+

(3) CSRDF.—The term "CSRDF" means the Civil Service Retirement and Disability Fund.

(4) CSRS COVERED.—The term "CSRS covered", with respect to any service, means service that is subject to the provisions of subchapter III of chapter 83 of title 5, United States Code, other than service subject to section 8334(k) of such title.

(5) CSRS-OFFSET COVERED.—The term "CSRS-Offset covered", with respect to any service, means service that is subject to the

provisions of subchapter III of chapter 83 of title 5, United States Code, and to section 8334(k) of such title.

(6) EMPLOYEE.—The term "employee" has the meaning given such term under section 8331(1) or 8401(11) of title 5, United States Code.

(7) EXECUTIVE DIRECTOR.—The term "Executive Director of the Federal Retirement Thrift Investment Board" or "Executive Director" means the Executive Director appointed under section 8474 of title 5, United States Code.

(8) FERS.—The term "FERS" means the Federal Employees' Retirement System.

(9) FERS COVERED.—The term "FERS covered", with respect to any service, means service that is subject to chapter 84 of title 5, United States Code.

(10) FORMER EMPLOYEE.—The term "former employee" means an individual who was an employee, but who is not an annuitant.

(11) OASDI TAXES.—The term "OASDI taxes" means the OASDI employee tax and the OASDI employer tax.

(12) OASDI EMPLOYEE TAX.—The term "OASDI employee tax" means the tax imposed under section 3101(a) of the Internal Revenue Code of 1986 (relating to Old-Age, Survivors and Disability Insurance).

(13) OASDI EMPLOYER TAX.—The term "OASDI employer tax" means the tax imposed under section 3111(a) of the Internal Revenue Code of 1986 (relating to Old-Age, Survivors and Disability Insurance).

(14) OASDI TRUST FUNDS.—The term "OASDI trust funds" means the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

(15) OFFICE.—The term "Office" means the Office of Personnel Management.

(16) RETIREMENT COVERAGE DETERMINATION.—The term "retirement coverage determination" means a determination by an employee or agent of the Government as to whether a particular type of Government service is CSRS covered, CSRS-Offset covered, FERS covered, or Social Security-Only covered.

(17) RETIREMENT COVERAGE ERROR.—The term "retirement coverage error" means an erroneous retirement coverage determination that was in effect for a minimum period of 3 years of service after December 31, 1986.

(18) SOCIAL SECURITY-ONLY COVERED.—The term "Social Security-Only covered", with respect to any service, means Government service that—

(A) constitutes employment under section 210 of the Social Security Act (42 U.S.C. 410); and

(B)(i) is subject to OASDI taxes; but

(ii) is not subject to CSRS or FERS.

(19) SURVIVOR.—The term "survivor" has the meaning given such term under section 8331(10) or 8401(28) of title 5, United States Code.

(20) THRIFT SAVINGS FUND.—The term "Thrift Savings Fund" means the Thrift Savings Fund established under section 8437 of title 5, United States Code.

#### SEC. 3. APPLICABILITY.

(a) IN GENERAL.—This Act shall apply with respect to retirement coverage errors that occur before, on, or after the date of enactment of this Act.

(b) LIMITATION.—Except as otherwise provided in this Act, this Act shall not apply to any erroneous retirement coverage determination that was in effect for a period of less than 3 years of service after December 31, 1986.

#### SEC. 4. IRREVOCABILITY OF ELECTIONS.

Any election made (or deemed to have been made) by an employee or any other individual under this Act shall be irrevocable.

# **TITLE I—DESCRIPTION OF RETIREMENT COVERAGE ERRORS TO WHICH THIS ACT APPLIES AND MEASURES FOR THEIR RECTIFICATION**

## **Subtitle A—Employees and Annuitants Who Should Have Been FERS Covered, but Who Were Erroneously CSRS Covered or CSRS-Offset Covered Instead, and Survivors of Such Employees and Annuitants**

### **SEC. 101. EMPLOYEES.**

(a) **APPLICABILITY.**—This section shall apply in the case of any employee or former employee who should be (or should have been) FERS covered but, as a result of a retirement coverage error, is (or was) CSRS covered or CSRS-Offset covered instead.

(b) **UNCORRECTED ERROR.**—

(1) **APPLICABILITY.**—This subsection applies if the retirement coverage error has not been corrected before the effective date of the regulations described under paragraph (3). As soon as practicable after discovery of the error, and subject to the right of an election under paragraph (2), if CSRS covered or CSRS-Offset covered, such individual shall be treated as CSRS-Offset covered, retroactive to the date of the retirement coverage error.

(2) **COVERAGE.**—

(A) **ELECTION.**—Upon written notice of a retirement coverage error, an individual may elect to be CSRS-Offset covered or FERS covered, effective as of the date of the retirement coverage error. Such election shall be made not later than 180 days after the date of receipt of such notice.

(B) **NONELECTION.**—If the individual does not make an election by the date provided under subparagraph (A), a CSRS-Offset covered individual shall remain CSRS-Offset covered and a CSRS covered individual shall be treated as CSRS-Offset covered.

(3) **REGULATIONS.**—The Office shall prescribe regulations to carry out this subsection.

(c) **CORRECTED ERROR.**—

(1) **APPLICABILITY.**—This subsection applies if the retirement coverage error was corrected before the effective date of the regulations described under subsection (b).

(2) **COVERAGE.**—

(A) **ELECTION.**—

(i) **CSRS-OFFSET COVERED.**—Not later than 180 days after the date of enactment of this Act, the Office shall prescribe regulations authorizing individuals to elect, during the 18-month period immediately following the effective date of such regulations, to be CSRS-Offset covered, effective as of the date of the retirement coverage error.

(ii) **THRIFT SAVINGS FUND CONTRIBUTIONS.**—If under this section an individual elects to be CSRS-Offset covered, all employee contributions to the Thrift Savings Fund made during the period of FERS coverage (and earnings on such contributions) may remain in the Thrift Savings Fund in accordance with regulations prescribed by the Executive Director, notwithstanding any limit that would otherwise be applicable.

(B) **PREVIOUS SETTLEMENT PAYMENT.**—An individual who previously received a payment ordered by a court or provided as a settlement of claim for losses resulting from a retirement coverage error shall not be entitled to make an election under this subsection unless that amount is waived in whole or in part under section 208, and any amount not waived is repaid.

(C) **INELIGIBILITY FOR ELECTION.**—An individual who, subsequent to correction of the retirement coverage error, received a refund of retirement deductions under section 8424 of title 5, United States Code, or a distribution under section 8433 (b), (c), or (h)(1)(A) of title 5, United States Code, may not make an election under this subsection.

(3) **CORRECTIVE ACTION TO REMAIN IN EFFECT.**—If an individual is ineligible to make an election or does not make an election under paragraph (2) before the end of any time limitation under this subsection, the corrective action taken before such time limitation shall remain in effect.

### **SEC. 102. ANNUITANTS AND SURVIVORS.**

(a) **IN GENERAL.**—This section shall apply in the case of an individual who is—

(1) an annuitant who should have been FERS covered but, as a result of a retirement coverage error, was CSRS covered or CSRS-Offset covered instead; or

(2) a survivor of an employee who should have been FERS covered but, as a result of a retirement coverage error, was CSRS covered or CSRS-Offset covered instead.

(b) **COVERAGE.**—

(1) **ELECTION.**—Not later than 180 days after the date of enactment of this Act, the Office shall prescribe regulations authorizing an individual described under subsection (a) to elect CSRS-Offset coverage or FERS coverage, effective as of the date of the retirement coverage error.

(2) **TIME LIMITATION.**—An election under this subsection shall be made not later than 18 months after the effective date of the regulations prescribed under paragraph (1).

(3) **REDUCED ANNUITY.**—

(A) **AMOUNT IN ACCOUNT.**—If the individual elects CSRS-Offset coverage, the amount in the employee's Thrift Savings Fund account under subchapter III of chapter 84 of title 5, United States Code, on the date of retirement that represents the Government's contributions and earnings on those contributions (whether or not such amount was subsequently distributed from the Thrift Savings Fund) will form the basis for a reduction in the individual's annuity, under regulations prescribed by the Office.

(B) **REDUCTION.**—The reduced annuity to which the individual is entitled shall be equal to an amount which, when taken together with the amount referred to in subparagraph (A), would result in the present value of the total being actuarially equivalent to the present value of an unreduced CSRS-Offset annuity that would have been provided the individual.

(4) **REDUCED BENEFIT.**—If—

(A) a surviving spouse elects CSRS-Offset benefits; and

(B) a FERS basic employee death benefit under section 8442(b) of title 5, United States Code, was previously paid;

then the survivor's CSRS-Offset benefit shall be subject to a reduction, under regulations prescribed by the Office. The reduced annuity to which the individual is entitled shall be equal to an amount which, when taken together with the amount of the payment referred to under subparagraph (B) would result in the present value of the total being actuarially equivalent to the present value of an unreduced CSRS-Offset annuity that would have been provided the individual.

(5) **PREVIOUS SETTLEMENT PAYMENT.**—An individual who previously received a payment ordered by a court or provided as a settlement of claim for losses resulting from a retirement coverage error may not make an election under this subsection unless repayment of that amount is waived in whole or in part under section 208, and any amount not waived is repaid.

(c) **NONELECTION.**—If the individual does not make an election under subsection (b) before any time limitation under this section, the retirement coverage shall be subject to the following rules:

(1) **CORRECTIVE ACTION PREVIOUSLY TAKEN.**—If corrective action was taken before the end of any time limitation under this section, that corrective action shall remain in effect.

(2) **CORRECTIVE ACTION NOT PREVIOUSLY TAKEN.**—If corrective action was not taken before such time limitation, the employee shall be CSRS-Offset covered, retroactive to the date of the retirement coverage error.

## **Subtitle B—Employee Who Should Have Been FERS Covered, CSRS-Offset Covered, or CSRS Covered, but Who Was Erroneously Social Security-Only Covered Instead**

### **SEC. 111. APPLICABILITY.**

This subtitle shall apply in the case of any employee who—

(1) should be (or should have been) FERS covered but, as a result of a retirement coverage error, is (or was) Social Security-Only covered instead;

(2) should be (or should have been) CSRS-Offset covered but, as a result of a retirement coverage error, is (or was) Social Security-Only covered instead; or

(3) should be (or should have been) CSRS covered but, as a result of a retirement coverage error, is (or was) Social Security-Only covered instead.

### **SEC. 112. CORRECTION MANDATORY.**

(a) **UNCORRECTED ERROR.**—If the retirement coverage error has not been corrected, as soon as practicable after discovery of the error, such individual shall be covered under the correct retirement coverage, effective as of the date of the retirement coverage error.

(b) **CORRECTED ERROR.**—If the retirement coverage error has been corrected, the corrective action previously taken shall remain in effect.

## **Subtitle C—Employee Who Should or Could Have Been Social Security-Only Covered but Who Was Erroneously CSRS-Offset Covered or CSRS Covered Instead**

### **SEC. 121. EMPLOYEE WHO SHOULD BE SOCIAL SECURITY-ONLY COVERED, BUT WHO IS ERRONEOUSLY CSRS OR CSRS-OFFSET COVERED INSTEAD.**

(a) **APPLICABILITY.**—This section applies in the case of a retirement coverage error in which a Social Security-Only covered employee was erroneously CSRS covered or CSRS-Offset covered.

(b) **UNCORRECTED ERROR.**—

(1) **APPLICABILITY.**—This subsection applies if the retirement coverage error has not been corrected before the effective date of the regulations described in paragraph (3).

(2) **COVERAGE.**—In the case of an individual who is erroneously CSRS covered, as soon as practicable after discovery of the error, and subject to the right of an election under paragraph (3), such individual shall be CSRS-Offset covered, effective as of the date of the retirement coverage error.

(3) **ELECTION.**—

(A) **IN GENERAL.**—Upon written notice of a retirement coverage error, an individual may elect to be CSRS-Offset covered or Social Security-Only covered, effective as of the date of the retirement coverage error. Such election shall be made not later than 180 days after the date of receipt of such notice.

(B) **NONELECTION.**—If the individual does not make an election before the date provided under subparagraph (A), the individual shall remain CSRS-Offset covered.

(C) **REGULATIONS.**—The Office shall prescribe regulations to carry out this paragraph.

(c) **CORRECTED ERROR.**—

(1) **APPLICABILITY.**—This subsection applies if the retirement coverage error was corrected before the effective date of the regulations described under subsection (b)(3).

(2) **ELECTION.**—Not later than 180 days after the date of enactment of this Act, the Office shall prescribe regulations authorizing individuals to elect, during the 18-month period immediately following the effective date of such regulations, to be CSRS-Offset covered

or Social Security-Only covered, effective as of the date of the retirement coverage error.

(3) **NONELECTION.**—If an eligible individual does not make an election under paragraph (2) before the end of any time limitation under this subsection, the corrective action taken before such time limitation shall remain in effect.

**Subtitle D—Employee Who Was Erroneously FERS Covered**

**SEC. 131. EMPLOYEE WHO SHOULD BE SOCIAL SECURITY-ONLY COVERED, CSRS COVERED, OR CSRS-OFFSET COVERED AND IS NOT FERS-ELIGIBLE, BUT WHO IS ERRONEOUSLY FERS COVERED INSTEAD.**

(a) **APPLICABILITY.**—This section applies in the case of a retirement coverage error in which a Social Security-Only covered, CSRS covered, or CSRS-Offset covered employee not eligible to elect FERS coverage under authority of section 8402(c) of title 5, United States Code, was erroneously FERS covered.

(b) **UNCORRECTED ERROR.**—

(1) **APPLICABILITY.**—This subsection applies if the retirement coverage error has not been corrected before the effective date of the regulations described in paragraph (2).

(2) **COVERAGE.**—

(A) **ELECTION.**—

(i) **IN GENERAL.**—Upon written notice of a retirement coverage error, an individual may elect to remain FERS covered or to be Social Security-Only covered, CSRS covered, or CSRS-Offset covered, as would have applied in the absence of the erroneous retirement coverage determination, effective as of the date of the retirement coverage error. Such election shall be made not later than 180 days after the date of receipt of such notice.

(ii) **TREATMENT OF FERS ELECTION.**—An election of FERS coverage under this subsection is deemed to be an election under section 301 of the Federal Employees Retirement System Act of 1986 (5 U.S.C. 8331 note; Public Law 99-335; 100 Stat. 599).

(B) **NONELECTION.**—If the individual does not make an election before the date provided under subparagraph (A), the individual shall remain FERS covered, effective as of the date of the retirement coverage error.

(3) **EMPLOYEE CONTRIBUTIONS IN THRIFT SAVINGS FUND.**—If under this section, an individual elects to be Social Security-Only covered, CSRS covered, or CSRS-Offset covered, all employee contributions to the Thrift Savings Fund made during the period of erroneous FERS coverage (and all earnings on such contributions) may remain in the Thrift Savings Fund in accordance with regulations prescribed by the Executive Director, notwithstanding any limit under section 8351 or 8432 of title 5, United States Code.

(4) **REGULATIONS.**—Except as provided under paragraph (3), the Office shall prescribe regulations to carry out this subsection.

(c) **CORRECTED ERROR.**—

(1) **APPLICABILITY.**—This subsection applies if the retirement coverage error was corrected before the effective date of the regulations described under paragraph (2).

(2) **ELECTION.**—Not later than 180 days after the date of enactment of this Act, the Office shall prescribe regulations authorizing individuals to elect, during the 18-month period immediately following the effective date of such regulations to remain Social Security-Only covered, CSRS covered, or CSRS-Offset covered, or to be FERS covered, effective as of the date of the retirement coverage error.

(3) **NONELECTION.**—If an eligible individual does not make an election under paragraph (2), the corrective action taken before the end of any time limitation under this subsection shall remain in effect.

(4) **TREATMENT OF FERS ELECTION.**—An election of FERS coverage under this subsection is deemed to be an election under section 301 of the Federal Employees Retirement System Act of 1986 (5 U.S.C. 8331 note; Public Law 99-335; 100 Stat. 599).

**SEC. 132. FERS-ELIGIBLE EMPLOYEE WHO SHOULD HAVE BEEN CSRS COVERED, CSRS-OFFSET COVERED, OR SOCIAL SECURITY-ONLY COVERED, BUT WHO WAS ERRONEOUSLY FERS COVERED INSTEAD WITHOUT AN ELECTION.**

(a) **IN GENERAL.**—

(1) **FERS ELECTION PREVENTED.**—If an individual was prevented from electing FERS coverage because the individual was erroneously FERS covered during the period when the individual was eligible to elect FERS under title III of the Federal Employees Retirement System Act or the Federal Employees' Retirement System Open Enrollment Act of 1997 (Public Law 105-61; 111 Stat. 1318 et seq.), the individual—

(A) is deemed to have elected FERS coverage; and

(B) shall remain covered by FERS, unless the individual declines, under regulations prescribed by the Office, to be FERS covered.

(2) **DECLINING FERS COVERAGE.**—If an individual described under paragraph (1)(B) declines to be FERS covered, such individual shall be CSRS covered, CSRS-Offset covered, or Social Security-Only covered, as would apply in the absence of a FERS election, effective as of the date of the erroneous retirement coverage determination.

(b) **EMPLOYEE CONTRIBUTIONS IN THRIFT SAVINGS FUND.**—If under this section, an individual declines to be FERS covered and instead is Social Security-Only covered, CSRS covered, or CSRS-Offset covered, as would apply in the absence of a FERS election, all employee contributions to the Thrift Savings Fund made during the period of erroneous FERS coverage (and all earnings on such contributions) may remain in the Thrift Savings Fund in accordance with regulations prescribed by the Executive Director, notwithstanding any limit that would otherwise be applicable.

(c) **INAPPLICABILITY OF DURATION OF ERRONEOUS COVERAGE.**—This section shall apply regardless of the length of time the erroneous coverage determination remained in effect.

**SEC. 133. RETROACTIVE EFFECT.**

This subtitle shall be effective as of January 1, 1987, except that section 132 shall not apply to individuals who made or were deemed to have made elections similar to those provided in this section under regulations prescribed by the Office before the effective date of this Act.

**Subtitle E—Employee Who Should Have Been CSRS-Offset Covered, but Who Was Erroneously CSRS Covered Instead**

**SEC. 141. APPLICABILITY.**

This subtitle shall apply in the case of any employee who should be (or should have been) CSRS-Offset covered but, as a result of a retirement coverage error, is (or was) CSRS covered instead.

**SEC. 142. CORRECTION MANDATORY.**

(a) **UNCORRECTED ERROR.**—If the retirement coverage error has not been corrected, as soon as practicable after discovery of the error, such individual shall be covered under the correct retirement coverage, effective as of the date of the retirement coverage error.

(b) **CORRECTED ERROR.**—If the retirement coverage error has been corrected before the effective date of this Act, the corrective action taken before such date shall remain in effect.

**Subtitle F—Employee Who Should Have Been CSRS Covered, but Who Was Erroneously CSRS-Offset Covered Instead**

**SEC. 151. APPLICABILITY.**

This subtitle shall apply in the case of any employee who should be (or should have been) CSRS covered but, as a result of a retirement coverage error, is (or was) CSRS-Offset covered instead.

**SEC. 152. CORRECTION MANDATORY.**

(a) **UNCORRECTED ERROR.**—If the retirement coverage error has not been corrected, as soon as practicable after discovery of the error, such individual shall be covered under the correct retirement coverage, effective as of the date of the retirement coverage error.

(b) **CORRECTED ERROR.**—If the retirement coverage error has been corrected before the effective date of this Act, the corrective action taken before such date shall remain in effect.

**TITLE II—GENERAL PROVISIONS**

**SEC. 201. IDENTIFICATION AND NOTIFICATION REQUIREMENTS.**

Government agencies shall take all such measures as may be reasonable and appropriate to promptly identify and notify individuals who are (or have been) affected by a retirement coverage error of their rights under this Act.

**SEC. 202. INFORMATION TO BE FURNISHED TO AND BY AUTHORITIES ADMINISTERING THIS ACT.**

(a) **APPLICABILITY.**—The authorities identified in this subsection are—

(1) the Director of the Office of Personnel Management;

(2) the Commissioner of Social Security; and

(3) the Executive Director of the Federal Retirement Thrift Investment Board.

(b) **AUTHORITY TO OBTAIN INFORMATION.**—Each authority identified in subsection (a) may secure directly from any department or agency of the United States information necessary to enable such authority to carry out its responsibilities under this Act. Upon request of the authority involved, the head of the department or agency involved shall furnish that information to the requesting authority.

(c) **AUTHORITY TO PROVIDE INFORMATION.**—Each authority identified in subsection (a) may provide directly to any department or agency of the United States all information such authority believes necessary to enable the department or agency to carry out its responsibilities under this Act.

(d) **LIMITATION; SAFEGUARDS.**—Each of the respective authorities under subsection (a) shall—

(1) request or provide only such information as that authority considers necessary; and

(2) establish, by regulation or otherwise, appropriate safeguards to ensure that any information obtained under this section shall be used only for the purpose authorized.

**SEC. 203. SERVICE CREDIT DEPOSITS.**

(a) **CSRS DEPOSIT.**—In the case of a retirement coverage error in which—

(1) a FERS covered employee was erroneously CSRS covered or CSRS-Offset covered;

(2) the employee made a service credit deposit under the CSRS rules; and

(3) there is a subsequent retroactive change to FERS coverage;

the excess of the amount of the CSRS civilian or military service credit deposit over the FERS civilian or military service credit deposit, together with interest computed in accordance with paragraphs (2) and (3) of section 8334(e) of title 5, United States Code, and regulations prescribed by the Office, shall be paid to the employee, the annuitant

or, in the case of a deceased employee, to the individual entitled to lump-sum benefits under section 8424(d) of title 5, United States Code.

(b) **FERS DEPOSIT.**—

(1) **APPLICABILITY.**—This subsection applies in the case of an erroneous retirement coverage determination in which—

(A) the employee owed a service credit deposit under section 8411(f) of title 5, United States Code; and

(B)(i) there is a subsequent retroactive change to CSRS or CSRS-Offset coverage; or  
(ii) the service becomes creditable under chapter 83 of title 5, United States Code.

(2) **REDUCED ANNUITY.**—

(A) **IN GENERAL.**—If at the time of commencement of an annuity there is remaining unpaid CSRS civilian or military service credit deposit for service described under paragraph (1), the annuity shall be reduced based upon the amount unpaid together with interest computed in accordance with section 8334(e) (2) and (3) of title 5, United States Code, and regulations prescribed by the Office.

(B) **AMOUNT.**—The reduced annuity to which the individual is entitled shall be equal to an amount that, when taken together with the amount referred to under subparagraph (A), would result in the present value of the total being actuarially equivalent to the present value of the unreduced annuity benefit that would have been provided the individual.

(3) **SURVIVOR ANNUITY.**—

(A) **IN GENERAL.**—If at the time of commencement of a survivor annuity, there is remaining unpaid any CSRS service credit deposit described under paragraph (1), and there has been no actuarial reduction in an annuity under paragraph (2), the survivor annuity shall be reduced based upon the amount unpaid together with interest computed in accordance with section 8334(e) (2) and (3) of title 5, United States Code, and regulations prescribed by the Office.

(B) **AMOUNT.**—The reduced survivor annuity to which the individual is entitled shall be equal to an amount that, when taken together with the amount referred to under subparagraph (A), would result in the present value of the total being actuarially equivalent to the present value of an unreduced survivor annuity benefit that would have been provided the individual.

#### **SEC. 204. PROVISIONS RELATED TO SOCIAL SECURITY COVERAGE OF MISCLASSIFIED EMPLOYEES.**

(a) **DEFINITIONS.**—In this section, the term—

(1) “covered individual” means any employee, former employee, or annuitant who—

(A) is or was employed erroneously subject to CSRS coverage as a result of a retirement coverage error; and

(B) is or was retroactively converted to CSRS-offset coverage, FERS coverage, or Social Security-only coverage; and

(2) “excess CSRS deduction amount” means an amount equal to the difference between the CSRS deductions withheld and the CSRS-Offset or FERS deductions, if any, due with respect to a covered individual during the entire period the individual was erroneously subject to CSRS coverage as a result of a retirement coverage error.

(b) **REPORTS TO COMMISSIONER OF SOCIAL SECURITY.**—

(1) **IN GENERAL.**—In order to carry out the Commissioner of Social Security’s responsibilities under title II of the Social Security Act, the Commissioner may request the head of each agency that employs or employed a covered individual to report (in coordination with the Office of Personnel Management) in such form and within such timeframe as the Commissioner may specify, any or all of—

(A) the total wages (as defined in section 3121(a) of the Internal Revenue Code of 1986) paid to such individual during each year of the entire period of the erroneous CSRS coverage; and

(B) such additional information as the Commissioner may require for the purpose of carrying out the Commissioner’s responsibilities under title II of the Social Security Act (42 U.S.C. 401 et seq.).

(2) **COMPLIANCE.**—The head of an agency or the Office shall comply with a request from the Commissioner under paragraph (1).

(3) **WAGES.**—For purposes of section 201 of the Social Security Act (42 U.S.C. 401), wages reported under this subsection shall be deemed to be wages reported to the Secretary of the Treasury or the Secretary’s delegates pursuant to subtitle F of the Internal Revenue Code of 1986.

(c) **PAYMENT RELATING TO OASDI EMPLOYEE TAXES.**—

(1) **IN GENERAL.**—The Office shall transfer from the Civil Service Retirement and Disability Fund to the General Fund of the Treasury an amount equal to the lesser of the excess CSRS deduction amount or the OASDI taxes due for covered individuals (as adjusted by amounts transferred relating to applicable OASDI employee taxes as a result of corrections made, including corrections made before the date of enactment of this Act). If the excess CSRS deductions exceed the OASDI taxes, any difference shall be paid to the covered individual or survivors, as appropriate.

(2) **TRANSFER.**—Amounts transferred under this subsection shall be determined notwithstanding any limitation under section 6501 of the Internal Revenue Code of 1986.

(d) **PAYMENT OF OASDI EMPLOYER TAXES.**—

(1) **IN GENERAL.**—Each employing agency shall pay an amount equal to the OASDI employer taxes owed with respect to covered individuals during the applicable period of erroneous coverage (as adjusted by amounts transferred for the payment of such taxes as a result of corrections made, including corrections made before the date of enactment of this Act).

(2) **PAYMENT.**—Amounts paid under this subsection shall be determined subject to any limitation under section 6501 of the Internal Revenue Code of 1986.

(e) **APPLICATION OF OASDI TAX PROVISIONS OF THE INTERNAL REVENUE CODE OF 1986 TO AFFECTED INDIVIDUALS AND EMPLOYING AGENCIES.**—A covered individual and the individual’s employing agency shall be deemed to have fully satisfied in a timely manner their responsibilities with respect to the taxes imposed by sections 3101(a), 3102(a), and 3111(a) of the Internal Revenue Code of 1986 on the wages paid by the employing agency to such individual during the entire period such individual was erroneously subject to CSRS coverage as a result of a retirement coverage error based on the payments and transfers made under subsections (c) and (d). No credit or refund of taxes on such wages shall be allowed as a result of this subsection.

#### **SEC. 205. THRIFT SAVINGS PLAN TREATMENT FOR CERTAIN INDIVIDUALS.**

(a) **APPLICABILITY.**—This section applies to an individual who—

(1) is eligible to make an election of coverage under section 101 or 102, and only if FERS coverage is elected (or remains in effect) for the employee involved; or

(2) is described in section 111, and makes or has made retroactive employee contributions to the Thrift Savings Fund under regulations prescribed by the Executive Director.

(b) **PAYMENT INTO THRIFT SAVINGS FUND.**—

(1) **IN GENERAL.**—

(A) **PAYMENT.**—With respect to an individual to whom this section applies, the employing agency shall pay to the Thrift Sav-

ings Fund under subchapter III of chapter 84 of title 5, United States Code, for credit to the account of the employee involved, an amount equal to the earnings which are disallowed under section 8432a(a)(2) of such title on the employee’s retroactive contributions to such Fund.

(B) **AMOUNT.**—Earnings under subparagraph (A) shall be computed in accordance with the procedures for computing lost earnings under section 8432a of title 5, United States Code. The amount paid by the employing agency shall be treated for all purposes as if that amount had actually been earned on the basis of the employee’s contributions.

(C) **EXCEPTIONS.**—If an individual made retroactive contributions before the effective date of the regulations under section 101(c), the Director may provide for an alternative calculation of lost earnings to the extent that a calculation under subparagraph (B) is not administratively feasible. The alternative calculation shall yield an amount that is as close as practicable to the amount computed under subparagraph (B), taking into account earnings previously paid.

(2) **ADDITIONAL EMPLOYEE CONTRIBUTION.**—In cases in which the retirement coverage error was corrected before the effective date of the regulations under section 101(c), the employee involved shall have an additional opportunity to make retroactive contributions for the period of the retirement coverage error (subject to applicable limits), and such contributions (including any contributions made after the date of the correction) shall be treated in accordance with paragraph (1).

(c) **REGULATIONS.**—

(1) **EXECUTIVE DIRECTOR.**—The Executive Director shall prescribe regulations appropriate to carry out this section relating to retroactive employee contributions and payments made on or after the effective date of the regulations under section 101(c).

(2) **OFFICE.**—The Office, in consultation with the Federal Retirement Thrift Investment Board, shall prescribe regulations appropriate to carry out this section relating to the calculation of lost earnings on retroactive employee contributions made before the effective date of the regulations under section 101(c).

#### **SEC. 206. CERTAIN AGENCY AMOUNTS TO BE PAID INTO OR REMAIN IN THE CSRDF.**

(a) **CERTAIN EXCESS AGENCY CONTRIBUTIONS TO REMAIN IN THE CSRDF.**—

(1) **IN GENERAL.**—Any amount described under paragraph (2) shall—

(A) remain in the CSRDF; and

(B) may not be paid or credited to an agency.

(2) **AMOUNTS.**—Paragraph (1) refers to any amount of contributions made by an agency under section 8423 of title 5, United States Code, on behalf of any employee, former employee, or annuitant (or survivor of such employee, former employee, or annuitant) who makes an election to correct a retirement coverage error under this Act, that the Office determines to be excess as a result of such election.

(b) **ADDITIONAL EMPLOYEE RETIREMENT DEDUCTIONS TO BE PAID BY AGENCY.**—If a correction in a retirement coverage error results in an increase in employee deductions under section 8334 or 8422 of title 5, United States Code, that cannot be fully paid by a reallocation of otherwise available amounts previously deducted from the employee’s pay as employment taxes or retirement deductions, the employing agency—

(1) shall pay the required additional amount into the CSRDF; and

(2) shall not seek repayment of that amount from the employee, former employee, annuitant, or survivor.

**SEC. 207. CSRS COVERAGE DETERMINATIONS TO BE APPROVED BY OPM.**

No agency shall place an individual under CSRS coverage unless—

(1) the individual has been employed with CSRS coverage within the preceding 365 days; or

(2) the Office has agreed in writing that the agency's coverage determination is correct.

**SEC. 208. DISCRETIONARY ACTIONS BY DIRECTOR.**

(a) IN GENERAL.—The Director of the Office of Personnel Management may—

(1) extend the deadlines for making elections under this Act in circumstances involving an individual's inability to make a timely election due to a cause beyond the individual's control;

(2) provide for the reimbursement of necessary and reasonable expenses incurred by an individual with respect to settlement of a claim for losses resulting from a retirement coverage error, including attorney's fees, court costs, and other actual expenses;

(3) compensate an individual for monetary losses that are a direct and proximate result of a retirement coverage error, excluding claimed losses relating to forgone contributions and earnings under the Thrift Savings Plan under subchapter III of chapter 84 of title 5, United States Code, and all other investment opportunities; and

(4) waive payments required due to correction of a retirement coverage error under this Act.

(b) SIMILAR ACTIONS.—In exercising the authority under this section, the Director shall, to the extent practicable, provide for similar actions in situations involving similar circumstances.

(c) JUDICIAL REVIEW.—Actions taken under this section are final and conclusive, and are not subject to administrative or judicial review.

(d) REGULATIONS.—The Office of Personnel Management shall prescribe regulations regarding the process and criteria used in exercising the authority under this section.

(e) REPORT.—The Office of Personnel Management shall, not later than 180 days after the date of enactment of this Act, and annually thereafter for each year in which the authority provided in this section is used, submit a report to each House of Congress on the operation of this section.

**SEC. 209. REGULATIONS.**

(a) IN GENERAL.—In addition to the regulations specifically authorized in this Act, the Office may prescribe such other regulations as are necessary for the administration of this Act.

(b) FORMER SPOUSE.—The regulations prescribed under this Act shall provide for protection of the rights of a former spouse with entitlement to an apportionment of benefits or to survivor benefits based on the service of the employee.

**TITLE III—OTHER PROVISIONS****SEC. 301. PROVISIONS TO AUTHORIZE CONTINUED CONFORMITY OF OTHER FEDERAL RETIREMENT SYSTEMS.**

(a) FOREIGN SERVICE.—Sections 827 and 851 of the Foreign Service Act of 1980 (22 U.S.C. 4067 and 4071) shall apply with respect to this Act in the same manner as if this Act were part of—

(1) the Civil Service Retirement System, to the extent this Act relates to the Civil Service Retirement System; and

(2) the Federal Employees' Retirement System, to the extent this Act relates to the Federal Employees' Retirement System.

(b) CENTRAL INTELLIGENCE AGENCY.—Sections 292 and 301 of the Central Intelligence Agency Retirement Act (50 U.S.C. 2141 and 2151) shall apply with respect to this Act in the same manner as if this Act were part of—

(1) the Civil Service Retirement System, to the extent this Act relates to the Civil Service Retirement System; and

(2) the Federal Employees' Retirement System, to the extent this Act relates to the Federal Employees' Retirement System.

**SEC. 302. AUTHORIZATION OF PAYMENTS.**

All payments authorized or required by this Act to be paid from the Civil Service Retirement and Disability Fund, together with administrative expenses incurred by the Office in administering this Act, shall be deemed to have been authorized to be paid from that Fund, which is appropriated for the payment thereof.

**SEC. 303. INDIVIDUAL RIGHT OF ACTION PRESERVED FOR AMOUNTS NOT OTHERWISE PROVIDED FOR UNDER THIS ACT.**

Nothing in this Act shall preclude an individual from bringing a claim against the Government of the United States which such individual may have under section 1346(b) or chapter 171 of title 28, United States Code, or any other provision of law (except to the extent the claim is for any amounts otherwise provided for under this Act).

**TITLE IV—TAX PROVISIONS****SEC. 401. TAX PROVISIONS.**

(a) PLAN QUALIFICATION.—No retirement plan of the United States (or any agency thereof) shall fail to be treated as a qualified plan under the Internal Revenue Code of 1986 by reason of—

(1) any failure to follow plan terms as addressed by this Act; or

(2) any action taken under this Act.

(b) TRANSFERS.—For purposes of the Internal Revenue Code of 1986, no amount shall be includible in the gross income of any individual in any tax year by reason of any direct transfer under this Act between funds or any Government contribution under this Act to any fund or account in any such tax year.

**TITLE V—MISCELLANEOUS RETIREMENT PROVISIONS****SEC. 501. FEDERAL RESERVE BOARD PORTABILITY OF SERVICE CREDIT.**

(a) CREDITABLE SERVICE.—

(1) IN GENERAL.—Section 8411(b) of title 5, United States Code, is amended—

(A) by striking "and" at the end of paragraph (3);

(B) in paragraph (4)—

(i) by striking "of the preceding provisions" and inserting "other paragraph"; and

(ii) by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(5) a period of service (other than any service under any other paragraph of this subsection, any military service, and any service performed in the employ of a Federal Reserve Bank) that was creditable under the Bank plan (as defined in subsection (i)), if the employee waives credit for such service under the Bank plan and makes a payment to the Fund equal to the amount that would have been deducted from pay under section 8422(a) had the employee been subject to this chapter during such period of service (together with interest on such amount computed under paragraphs (2) and (3) of section 8334(e)).

Paragraph (5) shall not apply in the case of any employee as to whom subsection (g) (or, to the extent subchapter III of chapter 83 is involved, section 8332(n)) otherwise applies."

(2) BANK PLAN DEFINED.—Section 8411 of title 5, United States Code, is amended by adding at the end the following:

"(i) For purposes of subsection (b)(5), the term 'Bank plan' means the benefit structure—

"(1) in which employees of the Board of Governors of the Federal Reserve System ap-

pointed on or after January 1, 1984, participate; and

"(2) that is a component of the Retirement Plan for Employees of the Federal Reserve System, established under section 10 of the Federal Reserve Act (and any redesignated or successor version of such benefit structure, if so identified in writing by the Board of Governors of the Federal Reserve System for purposes of this chapter)."

(b) EXCLUSION FROM CHAPTER 84.—

(1) IN GENERAL.—Paragraph (2) of section 8402(b) of title 5, United States Code, is amended by striking the matter before subparagraph (B) and inserting the following:

"(2)(A) any employee or Member who has separated from the service after—

"(i) having been subject to—

"(I) subchapter III of chapter 83 of this title;

"(II) subchapter I of chapter 8 of title I of the Foreign Service Act of 1980 (22 U.S.C. 4041 et seq.); or

"(III) the benefit structure for employees of the Board of Governors of the Federal Reserve System appointed before January 1, 1984, that is a component of the Retirement Plan for Employees of the Federal Reserve System, established under section 10 of the Federal Reserve Act; and

"(ii) having completed—

"(I) at least 5 years of civilian service creditable under subchapter III of chapter 83 of this title;

"(II) at least 5 years of civilian service creditable under subchapter I of chapter 8 of title I of the Foreign Service Act of 1980 (22 U.S.C. 4041 et seq.); or

"(III) at least 5 years of civilian service (other than any service performed in the employ of a Federal Reserve Bank) creditable under the benefit structure for employees of the Board of Governors of the Federal Reserve System appointed before January 1, 1984, that is a component of the Retirement Plan for Employees of the Federal Reserve System, established under section 10 of the Federal Reserve Act,

determined without regard to any deposit or redeposit requirement under either such subchapter or under such benefit structure, or any requirement that the individual become subject to either such subchapter or to such benefit structure after performing the service involved; or"

(2) EXCEPTION.—Subsection (d) of section 8402 of title 5, United States Code, is amended to read as follows:

"(d) Paragraph (2) of subsection (b) shall not apply to an individual who—

"(1) becomes subject to—

"(A) subchapter II of chapter 8 of title I of the Foreign Service Act of 1980 (22 U.S.C. 4071 et seq.) (relating to the Foreign Service Pension System) pursuant to an election; or

"(B) the benefit structure in which employees of the Board of Governors of the Federal Reserve System appointed on or after January 1, 1984, participate, which benefit structure is a component of the Retirement Plan for Employees of the Federal Reserve System, established under section 10 of the Federal Reserve Act (and any redesignated or successor version of such benefit structure, if so identified in writing by the Board of Governors of the Federal Reserve System for purposes of this chapter); and

"(2) subsequently enters a position in which, but for paragraph (2) of subsection (b), such individual would be subject to this chapter."

(c) PROVISIONS RELATING TO CERTAIN FORMER EMPLOYEES.—A former employee of the Board of Governors of the Federal Reserve System who—

(1) has at least 5 years of civilian service (other than any service performed in the employ of a Federal Reserve Bank) creditable

under the benefit structure for employees of the Board of Governors of the Federal Reserve System appointed before January 1, 1984, that is a component of the Retirement Plan for Employees of the Federal Reserve System, established under section 10 of the Federal Reserve Act;

(2) was subsequently employed subject to the benefit structure in which employees of the Board of Governors of the Federal Reserve System appointed on or after January 1, 1984, participate, which benefit structure is a component of the Retirement Plan for Employees of the Federal Reserve System, established under section 10 of the Federal Reserve Act (and any redesignated or successor version of such benefit structure, if so identified in writing by the Board of Governors of the Federal Reserve System for purposes of chapter 84 of title 5, United States Code); and

(3) after service described in paragraph (2), becomes subject to and thereafter entitled to benefits under chapter 84 of title 5, United States Code,

shall, for purposes of section 302 of the Federal Employees' Retirement System Act of 1986 (5 U.S.C. 8331 note; Public Law 99-335; 100 Stat. 601) be considered to have become subject to chapter 84 of title 5, United States Code, pursuant to an election under section 301 of such Act.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3), this section and the amendments made by this section shall take effect on the date of enactment of this Act.

(2) PROVISIONS RELATING TO CREDITABILITY AND CERTAIN FORMER EMPLOYEES.—The amendments made by subsection (a) and the provisions of subsection (c) shall apply only to individuals who separate from service subject to chapter 84 of title 5, United States Code, on or after the date of enactment of this Act.

(3) PROVISIONS RELATING TO EXCLUSION FROM CHAPTER.—The amendments made by subsection (b) shall not apply to any former employee of the Board of Governors of the Federal Reserve System who, subsequent to his or her last period of service as an employee of the Board of Governors of the Federal Reserve System and prior to the date of enactment of this Act, became subject to subchapter III of chapter 83 or chapter 84 of title 5, United States Code, under the law in effect at the time of the individual's appointment.

#### SEC. 502. CERTAIN TRANSFERS TO BE TREATED AS A SEPARATION FROM SERVICE FOR PURPOSES OF THE THRIFT SAVINGS PLAN.

(a) AMENDMENTS TO CHAPTER 84 OF TITLE 5, UNITED STATES CODE.—

(1) IN GENERAL.—Subchapter III of chapter 84 of title 5, United States Code, is amended by inserting before section 8432 the following:

#### “§ 8431. Certain transfers to be treated as a separation

“(a) For purposes of this subchapter, separation from Government employment includes a transfer from a position that is subject to one of the retirement systems described in subsection (b) to a position that is not subject to any such system.

“(b) The retirement systems described in this subsection are—

“(1) the retirement system under this chapter;

“(2) the retirement system under subchapter III of chapter 83; and

“(3) any other retirement system under which individuals may contribute to the Thrift Savings Fund through withholdings from pay.”.

(2) CLERICAL AMENDMENT.—The table of sections for chapter 84 of title 5, United

States Code, is amended by inserting before the item relating to section 8432 the following:

“8431. Certain transfers to be treated as a separation.”.

(b) CONFORMING AMENDMENTS.—Subsection (b) of section 8351 of title 5, United States Code, is amended by redesignating paragraph (11) as paragraph (8), and by adding at the end the following:

“(9) For the purpose of this section, separation from Government employment includes a transfer described in section 8431.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to transfers occurring before, on, or after the date of enactment of this Act, except that, for purposes of applying such amendments with respect to any transfer occurring before such date of enactment, the date of such transfer shall be considered to be the date of enactment of this Act. The Executive Director (within the meaning of section 8401(13) of title 5, United States Code) may prescribe any regulations necessary to carry out this subsection.

#### TITLE VI—EFFECTIVE DATE

##### SEC. 601. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act shall take effect on the date of enactment of this Act.

#### THE DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

##### HUTCHISON AMENDMENT NO. 2509

Mr. GRAMM (for Mrs. HUTCHISON) proposed an amendment to the bill (H.R. 3194) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes; as follows:

Strike out all after the enacting clause and insert:

*That, the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 2000, and for other purposes, namely:*

#### TITLE I—FISCAL YEAR 2000 APPROPRIATIONS FEDERAL FUNDS

##### FEDERAL PAYMENT FOR RESIDENT TUITION SUPPORT

*For a Federal payment to the District of Columbia for a program to be administered by the Mayor for District of Columbia resident tuition support, subject to the enactment of authorizing legislation for such program by Congress, \$17,000,000, to remain available until expended: Provided, That such funds may be used on behalf of eligible District of Columbia residents to pay an amount based upon the difference between in-State and out-of-State tuition at public institutions of higher education, usable at both public and private institutions of higher education: Provided further, That the awarding of such funds may be prioritized on the basis of a resident's academic merit and such other factors as may be authorized: Provided further, That if the authorized program is a nationwide program, the Mayor may expend up to \$17,000,000: Provided further, That if the authorized program is for a limited number of States, the Mayor may expend up to \$11,000,000: Provided further, That the District of Columbia may expend funds other than the funds provided under this heading, including local tax revenues and contributions, to support such program.*

##### FEDERAL PAYMENT FOR INCENTIVES FOR ADOPTION OF CHILDREN

*For a Federal payment to the District of Columbia to create incentives to promote the adoption of children in the District of Columbia foster care system, \$5,000,000: Provided, That such funds shall remain available until September 30, 2001 and shall be used in accordance with a program established by the Mayor and the Council of the District of Columbia and approved by the Committees on Appropriations of the House of Representatives and the Senate: Provided further, That funds provided under this heading may be used to cover the costs to the District of Columbia of providing tax credits to offset the costs incurred by individuals in adopting children in the District of Columbia foster care system and in providing for the health care needs of such children, in accordance with legislation enacted by the District of Columbia government.*

##### FEDERAL PAYMENT TO THE CITIZEN COMPLAINT REVIEW BOARD

*For a Federal payment to the District of Columbia for administrative expenses of the Citizen Complaint Review Board, \$500,000, to remain available until September 30, 2001.*

##### FEDERAL PAYMENT TO THE DEPARTMENT OF HUMAN SERVICES

*For a Federal payment to the Department of Human Services for a mentoring program and for hotline services, \$250,000.*

##### FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA CORRECTIONS TRUSTEE OPERATIONS

*For salaries and expenses of the District of Columbia Corrections Trustee, \$176,000,000 for the administration and operation of correctional facilities and for the administrative operating costs of the Office of the Corrections Trustee, as authorized by section 11202 of the National Capital Revitalization and Self-Government Improvement Act of 1997 (Public Law 105-33; 111 Stat. 712): Provided, That notwithstanding any other provision of law, funds appropriated in this Act for the District of Columbia Corrections Trustee shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies: Provided further, That in addition to the funds provided under this heading, the District of Columbia Corrections Trustee may use a portion of the interest earned on the Federal payment made to the Trustee under the District of Columbia Appropriations Act, 1998, (not to exceed \$4,600,000) to carry out the activities funded under this heading.*

##### FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA COURTS

*For salaries and expenses for the District of Columbia Courts, \$99,714,000 to be allocated as follows: for the District of Columbia Court of Appeals, \$7,209,000; for the District of Columbia Superior Court, \$68,351,000; for the District of Columbia Court System, \$16,154,000; and \$8,000,000, to remain available until September 30, 2001, for capital improvements for District of Columbia courthouse facilities: Provided, That of the amounts available for operations of the District of Columbia Courts, not to exceed \$2,500,000 shall be for the design of an Integrated Justice Information System and that such funds shall be used in accordance with a plan and design developed by the courts and approved by the Committees on Appropriations of the House of Representatives and the Senate: Provided further, That notwithstanding any other provision of law, all amounts under this heading shall be apportioned quarterly by the Office of Management and Budget and obligated and expended in the same manner as funds appropriated for salaries and expenses of other Federal agencies, with payroll and financial services to be provided on a contractual basis with the General Services Administration (GSA), said services to include the preparation*